MCLB PROPOSED REGULATIONS - FACT SHEET

Why are these regulations being proposed? Maryland Department of Environment (MDE) and the Marine Contractors Licensing Board (MCLB) have proposed new regulations in order to implement and clarify various provisions within the MCLB's authorizing statute - Title 17 of the Environment Article, Maryland Annotated Code. These proposed regulations, which, if approved, will be located at Code of Maryland Regulations ("COMAR") 26.30.01-04 – Subtitle 30 Marine Contractors Licensing Board - will support the MCLB's aims of licensing competent contractors to conduct marine contracting activities in Maryland and protecting Maryland's tidal waters.

In accordance with Title 17 of the Environment Article, the MCLB is required to develop and carry out the marine contractors licensing program in the State of Maryland. However, there are currently no regulations to support the MCLB efforts in this regard. While the General Assembly provided a broad outline of the State's marine contracting licensing program when it enacted Title 17 of the Environment Article, the MCLB believes that promulgating regulations will help provide much needed clarity regarding some ambiguous aspects of its authorizing statute.

What is new in these proposed regulations that I need to be aware of? Section 17-305 of the Environment Article was amended on Oct. 1, 2020 to allow the MCLB to establish license Categories by regulation. In the MCLB's new proposal, each license Category specifies what marine contractor services a licensee is qualified and authorized to perform. The regulations propose the following four license Categories to replace the single marine contractor license:

Category 1: Heavy Marine Construction (also authorizes Cats. 2, 3, & 4 services)

Category 2: Residential and Commercial Marine Construction (also authorizes Cats. 3 & 4 services)

Category 3: Limited Marine Construction
Category 4: Incidental Marine Construction

These proposed regulations also define the term 'Similar Contractor Experience.' While this term is included in 17-302, it is not defined by statute. The proposed definition is: 'means construction, demolition, installation, alteration, repair, or salvage activities located above the mean high tide and requiring authorization from the Department, in accordance with Environment Article, Title 5, Subtitles 5 and 9, Annotated Code of Maryland.' This will have significance for a subset of applicants who apply for a Marine Contractors License.

It is the experience of the MCLB that the majority of licensed marine contractors are somewhat full service and will therefore fall into proposed Category 2: Residential and Commercial Marine Construction. With this, it is projected that the transition into this Category 2 License for most licensed contractors, will be straight-forward.

To summarize the three other proposed license Categories: a Category 1 License, 'Heavy Marine' as the name implies, is reserved for large scale marine contractor services.

A Category 3 License, Limited Marine Construction, will be available for contractors who are qualified to perform a limited subset of the marine contractor services that are listed in the Category 2 License. A Category 3 License will only authorize the specific marine contractor service(s) that will be specifically stated/identified in their license, for example the installation of boat lifts.

A Category 4 License is titled 'Incidental Marine Construction.' This is reserved for certain marine contractor services that are unique, such as directional boring, aquaculture, and wetland grass planting.

<u>Why are license Categories being proposed?</u> The goal and the challenge of the MCLB has always been to provide qualified licensed marine contractors to the public with the appropriate skill sets, to work in the challenging construction environment of tidal waters. The MCLB also recognizes that it is important to not limit or make unreasonable hurdles for a marine contractor to grow their business. It is the determination of MDE and the MCLB that the establishment of license Categories will further these collective goals.

What are the other projected benefits of these license Categories? Establishing license Categories, such as the Limited Marine Construction category, will provide economic and employment opportunities for contractors who can demonstrate they have specialty or a subset of marine contractor construction skills. Contractors who can document experience, for example in marine contractor activities such as installing boat lifts or wetland grass planting, will be able to apply for a Limited Marine Contractor License. If licensed, they can then provide their specific/standalone marine contracting services to the public and have gainful employment.

The new license Categories, 3 and 4, will give opportunities for small businesses to establish themselves in a niche area of marine contracting services in Maryland. With this and with time and experience, this small business may be able to expand into other activities of marine contracting.

With Categories of licensure, the public will have greater assurance that an individual who is performing a marine contractor service or specialty, has the requisite experience. In addition, the Category 3 Limited License may foster competition in specialty marine contractor services that could benefit the consumer.

<u>When will I be required to apply for a license Category?</u> Licenses will remain valid for 2 years - there is no change in this. Contractors who are currently licensed will be transitioned to their new Category with their renewal. Your work experience will guide you in determining which category license you are qualified for. New applicants for a Marine Contractor's License will be required to select, on application, the Category of license for which they are qualified.

<u>What will NOT change with these proposed regulations?</u> There are no proposed changes to fees in these regulations. In addition, licenses will still be valid for 2 years, and continuing education requirements for renewal will remain at 12 hours/credits. 'Who' is required to obtain a Marine Contractors License will NOT change.

<u>Where can I find the complete proposed regulations?</u> The full posting and proposed regulations can be viewed at the <u>Maryland Register</u> or at the <u>MCLB website</u>.

How can I provide comments on these proposed regulations?

Written comments may be sent to Mike Eisner, Administrator, Marine Contractors Licensing Board, Maryland Department of the Environment, 1800 Washington Blvd., Baltimore, MD 21230, or call 410-537-3249, or email to mike.eisner@maryland.gov. Written comments will be accepted through February 12, 2024.